

Decision 05-04-017 April 7, 2005

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Adventure Ambassadors, for authority to operate as an On-Call Passenger Stage Corporation between points in Truckee, Tahoe City, and Brockway; and to establish a Zone of Rate Freedom.

Application 04-11-019  
(Filed November 15, 2004)

**O P I N I O N**

**Summary**

This decision grants the application of Adventure Ambassadors (Applicant), a corporation, pursuant to Pub. Util. Code § 1031 et seq., for a certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, and to establish a zone of rate freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

**Discussion**

The application, as amended by letter dated February 7, 2005, requests authority to transport passengers and their baggage on an on-call basis between points in the North Lake Tahoe-Truckee area. Applicant proposes to operate essentially over a triangular loop between the towns and surrounding areas of Truckee, Tahoe City, and Brockway, using Highways 28, 89, and 267. The service will focus principally on transporting passengers to and from restaurants, bars, and shopping areas.

Applicant believes the proposed operation will serve the needs of the local community as well as tourists visiting the area. Hours of service will be

primarily in the evening, although limited daytime service may be offered. Applicant states that the North Lake Tahoe-Truckee area has limited evening and late night public transportation available. Local transportation is inconsistent between seasons. Bus service is most limited during the winter. According to Applicant, taxicab service between towns is expensive. Applicant advises that many Lake Tahoe resorts employ a number of seasonal workers. These workers are sometimes domiciled in employee housing far from town areas. Few of them own vehicles, so they often resort to hitch-hiking in order to get around. Applicant sees these workers as potential users of its service.

Applicant will operate initially with one 7-passenger vehicle. Applicant is a new corporation. Its unaudited balance sheet as of February 7, 2005, discloses assets of \$29,000 and no liabilities.

The proposed fares are \$7 one-way and \$10 round trip. Applicant requests authority to establish a ZORF of \$4 above and below these fares. Applicant will compete with public transit, taxicabs, limousines, and private automobiles in its service area. While the degree of competition in the service area might not be optimum, there should be enough to keep Applicant's fares at a reasonable level. If the fares rise too high, passengers will likely seek alternative transportation. As Applicant points out, some of its potential customers can be resourceful in finding means of travel.

Notice of filing of the application appeared in the Commission's Daily Calendar on November 23, 2004. Applicant served a notice to the cities, counties, transportation planning agencies, and the public transit operator in the service area.

In Resolution ALJ 176-3143 dated December 2, 2004, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received.

Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3143.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Assignment of Proceeding**

Richard Clark is the assigned Examiner in this proceeding.

### **Findings of Fact**

1. Applicant requests authority to operate as a PSC to transport passengers on an on-call basis in the North Lake Tahoe-Truckee area.
2. Applicant requests authority to establish a ZORF of \$4 above and below the proposed one-way fare of \$7 and round trip fare of \$10. Applicant will compete with public transit, taxicabs, limousines, and private automobiles in its operations. The ZORF is fair and reasonable.
3. Public convenience and necessity requires the proposed service.
4. No protest to the application has been filed.
5. A public hearing is not necessary.
6. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

### **Conclusions of Law**

1. Public convenience and necessity has been demonstrated and the application, as amended, should be granted.
2. The request for a ZORF should be granted.
3. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least ten days' notice. The tariff

should show the high and low ends of the ZORF and the then currently effective fare between each pair of service points.

4. Since the matter is uncontested, the decision should be effective on the date it is signed.

5. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

## **O R D E R**

### **IT IS ORDERED** that:

1. A certificate of public convenience and necessity (CPCN) is granted to Adventure Ambassadors (Applicant), a corporation, authorizing it operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport persons and their baggage between the points and over the routes set forth in Appendix PSC-18307, subject to the conditions contained in the following paragraphs.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.

- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$4 above and below the proposed fares shown in the application.

4. Applicant shall file a ZORF tariff in accordance with the application on not less than ten days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.

5. Applicant may make changes within the ZORF by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in his terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

6. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in his terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that its evidence of

insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

9. The CPCN to operate as PSC-18307, granted herein, expires unless exercised within 120 days after the effective date of this order.

10. The Application is granted as set forth above.

11. This proceeding is closed.

This order is effective today.

Dated April 7, 2005, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
DIAN M. GRUENEICH  
Commissioners

CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY  
AS A PASSENGER STAGE CORPORATION  
PSC-18307

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

## **I N D E X**

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SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,  
LIMITATIONS, AND SPECIFICATIONS.

Adventure Ambassadors, a corporation, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an on-call basis between the points described in Section II, over the routes described in Section III, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- A. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- B. The term "on-call," as used, refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.
- C. This certificate does not authorize the holder to conduct any operation on the property of any airport unless such operation is authorized by the airport authority involved.

SECTION II. SERVICE AREA.

All points along and within 2 air miles of:

- (1) Highway 89 between Truckee and Tahoma.
- (2) Highway 28 between Tahoe City and the California-Nevada border.
- (3) Highway 267 between Truckee and Kings Beach.

SECTION III. ROUTE DESCRIPTION.

Commencing from any point described in Section II, then over the most convenient streets and highways to any other point described in Section II.